

Question 1

DHL is a global market leader in the international express and logistics industry, with 45,000 staff in Europe. DHL's annual performance management process begins in August when the bonus framework and core elements of the scheme are designed at the top level. Following this, in mid-November, based on the aims decided upon in August, targets are set for the year by a panel of senior staff. Once devised, these targets are cascaded down the organization into individual personal objectives following discussions between line managers and HR.

The cascading process is designed to ensure that targets are refined and altered to align with each individual's job. Further discussions then take place to decide what each target means for employees in practice and their implications for competencies. Around the same time, attainment levels and scoring based on the previous year's performance take place to determine bonus levels and salary rises. Following this, with targets already set, around the middle of January an outline for recording performance targets for personal and financial performance for the coming year is designed, and in mid-February the company's financial results become known. This makes it possible to determine the pot available for bonus payments and salary increases relating to the previous year. Bonuses are paid in either March or April, while salary reviews take place in April.

The initial stage of establishing overall objectives and the target-setting framework sets the tone for the year. From year to year, conditions change, with the priorities of senior management reflecting the current state of affairs. As a result, each year there are a number of overarching themes such as serving customers, for example, or health and safety. These core individual key objectives (IKOs) are strictly adhered to, although local managers can determine themselves how to manage their attainment. In contrast, more flexibility exists for other objectives, with managers at lower levels able to alter them to align with their particular needs. There is further flexibility in the system with regard to its timing.

Source: Armstrong, M. 2014. Handbook of Human Resources Management Practice, 12th Edition, Kogan Page, London

Required:

- a) Explain the performance management process [10]
- b) Explore the significance of cascading down the organizational objectives into individual personal objectives [15]
- c) Elaborate on the significance of bonus payment to employees [15]

Question 2

Discuss the alternatives that an organization must explore before embarking on recruitment exercise [20]

Question 3

Discuss the impact of globalisation on Human Resource Management [20]

Question 4

Explain the essential characteristics of a good reward management system. [20]

Question 5

Discuss the challenges brought by Covid 19 to Human Resource Management practice. [20]

Question 6

Discuss any five selection methods highlighting their key advantages and disadvantages. [20]

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